



CITY OF LODI COUNCIL COMMUNICATION

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AGENDA TITLE: Review and Comment on the Annual Community Development Block Grant and HOME Program Allocation Process

MEETING DATE: November 27, 2007

PREPARED BY: Community Development Department

RECOMMENDED ACTION: Review and comment on the annual Community Development Block Grant (CDBG) and HOME Program allocation process.

BACKGROUND INFORMATION: San Joaquin County has been an entitlement community with the U.S. Department of Housing and Urban Development since 1985. The County is classified as an Urban County jurisdiction, which includes all unincorporated County communities and the cities of Lodi, Escalon, Lathrop, Manteca, Ripon and Tracy.

Each year, the Urban County jurisdictions receive a formula-based allocation of CDBG, Emergency Shelter Grants (ESG), and HOME Program funding. The participating jurisdictions, in turn, go through an annual process which begins with a public meeting to gather input regarding the use of these federal funds. That meeting, held in early December, usually marks the beginning of the application period that runs through mid-January. During that period, both public and private agencies and organizations, submit funding requests for the coming years' funding.

As a practice, the City of Lodi has always made one-hundred percent of our annual allocation available for funding requests, and our City projects, from both Public Works, Parks & Recreation or any other City department, have competed head to head with funding requests for both capital projects and public services submitted by private agencies and organizations.

A breakdown of those funding allocations since 1999, illustrated in the attached Exhibit A, shows an average of 63.8% of our annual allocation going toward City projects.

It is fairly common for CDBG entitlement communities and participating jurisdictions within an Urban County designation to set-aside a certain percentage of their annual CDBG allocation for City projects or programs. This set-aside provides a fairly reliable funding source for which to plan or schedule projects or services into the future. The set-aside also segregates or groups the funding requests so that City departments compete amongst themselves and community-based organizations (CBO) compete only against other CBO funding requests.

APPROVED: _____
Blair King, City Manager

The City Manager is proposing that the Council consider splitting the CDBG allocation into two funding set asides, one for CDBG-eligible city projects and the other for eligible CBO projects.

In order to provide an estimation of the magnitude of financial need, City Departments provided a list of projects and services that could be funded via CDBG funds. The amount is in the neighborhood of \$1,525,640. The estimated 2008/09 CDBG allocation is \$717,592. The preliminary list of City projects and services is attached as Exhibit B.

In addition to providing an identifiable source of funding for City projects, a two set-aside system would allow staff to develop a better rating and ranking system in order to make recommendations with regard to CBO projects and services.

It is proposed that the Council consider the concept of pre-determining the appropriate share of CDBG funds for City projects and how much of the total CDBG and/or HOME Program funding allocation should be made available.

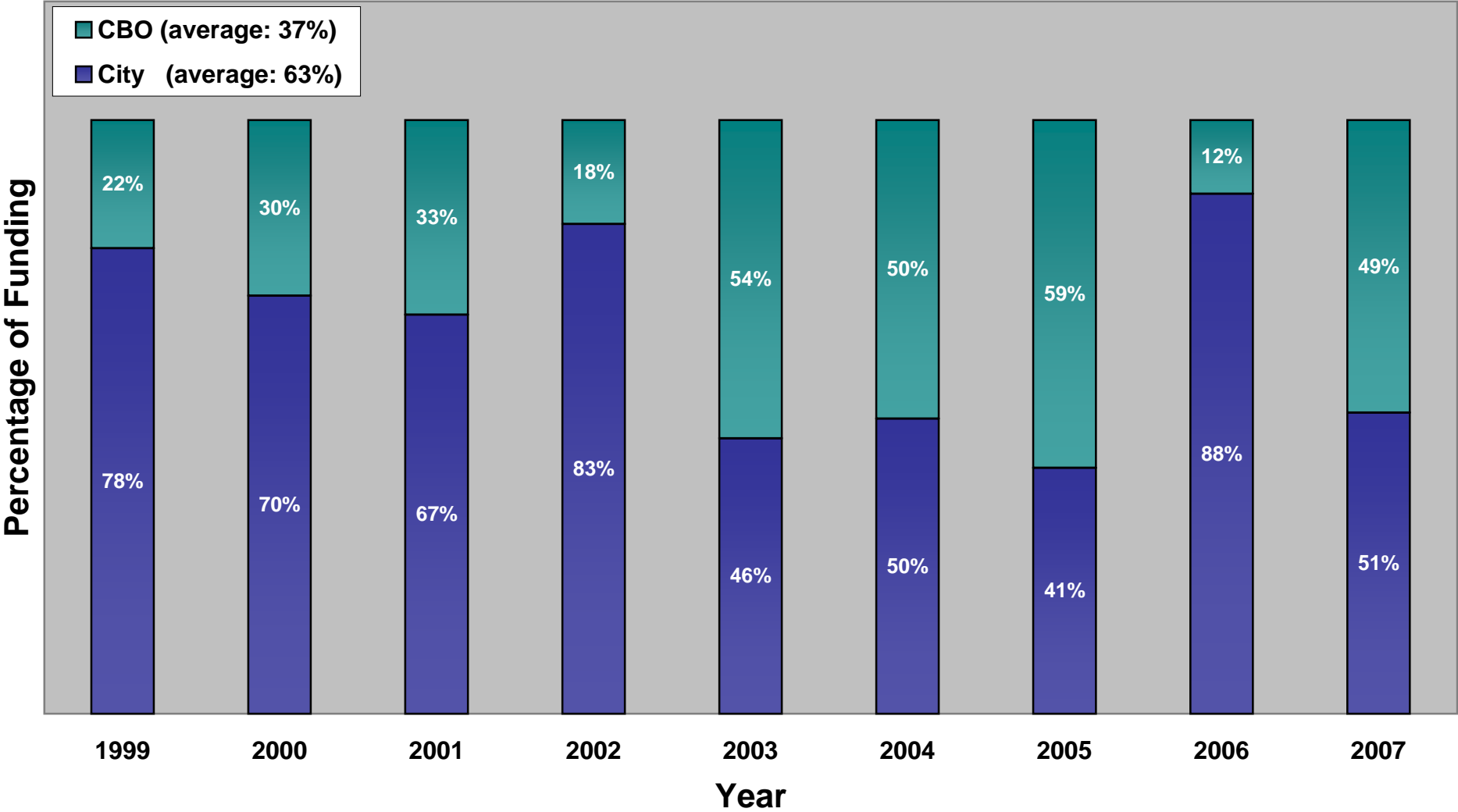
FISCAL IMPACT: N/A

FUNDING AVAILABLE: N/A

Randy Hatch
Community Development Director

Attachments

CDBG Funding Breakdown, 1999-2007



City of Lodi CDBG Internal Preapplications Received

Project - Organization	Project Description	Fund Request	Comments/Concerns
ADA Curb Ramps Public Works	Install ADA-accessible curb ramps in CDBG target areas to improve accessibility for the disabled and the elderly.	\$250,000	Project is a continuation of the City's implementation of its ADA Transition Plan. Eligible as an area benefit activity. May be too ambitious for completion by June 2009; \$150,000 may be more realistic.
Blakely Park North Pool Deck Improvements Parks and Recreation	Install a new polymer concrete finish over existing pool decking. Work will match the Blakely Park South pool deck improvements completed in June 2007.	\$98,000	Eligible as an area benefit activity because Blakely Park serves primarily target-area residents. Funding would be expended during the 2008-09 year.
Lodi Lake Park North Playground Improvements Parks and Recreation	Redesign park to address accessibility and site-specific issues and install new ADA-accessible play equipment.	\$280,000	Lodi Lake Park is not located in a target area, so the City would have to have HUD approve the methodology used to show that most park users are low-income. This may require a lengthy review process and the need to conduct a new user survey, which could hold up the project.
Alley Drainage Improvements Public Works	Improve alley drainage by installing storm drain facilities and resurfacing a "typical" 600-foot alley located in a target area.	\$225,000	Eligible as an area benefit activity. Funding likely would not be entirely expended during the 2008-09 year.
Building Demolition Public Works	Demolish an abandoned packing shed building located at 17 East Elm Street.	\$95,000	Eligible as spot blight removal. City acquired the property in 2002 using CDBG funds. Long-term lot use is undetermined.
Lodi Public Library Renovation Lodi Public Library	Renovate the library facility to address accessibility issues, eliminate possible safety hazards, and make the space more functional and user-friendly.	\$550,000	Library does have other funding sources available, but project completion timeline is too ambitious. May not be an eligible activity, since it serves entire City (possibly region), which is not majority low-income. Would require the City to conduct a survey of library users to prove the majority are low-income.
Graffiti Abatement Public Works	Abate graffiti on public and private properties in the CDBG target areas.	\$27,638	Eligible as a public service for public properties and rehabilitation for private properties.
TOTAL FUNDING REQUESTED		\$1,525,638	